

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
KIHEI SANDS
Waikapu, Maui, Hawaii

REGISTRATION NO. 375

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: June 14, 1971
Expires: July 14, 1972

SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 18, 1971. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, HAWAII REVISED STATUTES, CHAPTER 514.

1. KIHEI SANDS is a proposed leasehold condominium project consisting of 30 apartment units contained in two two-story buildings. The buildings are of concrete block and wood frame construction. The common elements include the parking areas, grounds, recreation area, walkways at each floor level, two laundry rooms, and a one-bedroom apartment for use as a manager's office and living quarters.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.
4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Hawaii Revised Statutes, Chapter 514, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, June 14, 1971, unless a Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KIHEI SANDS

LOCATION: The 30,807 square feet of land to be committed to the Regime is located at Kihei, Island of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 3-8-13-13

ZONING: Resort Commercial

DEVELOPER: KIHEI SANDS DEVELOPERS, INC., a Hawaii corporation, whose officers are:

President and Secretary - Oren E. Wilson
Treasurer - Sharon M. Wilson

Telephone - 877-0232; Address - 313 Ano Street, Kahului, Maui, Hawaii.

ATTORNEYS REPRESENTING DEVELOPER: LANGA & KOHNE (Attn: Sanford J. Langa), Wailuku Townhouse Building, Wailuku, Maui, Hawaii. Telephone - 244-9169.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime states that the project is to consist of thirty apartments (including the manager's apartment, which is a common element) in two buildings as follows:

- A. Apartments: Thirty (30) apartment units are designated, comprised of the spaces within the perimeter walls, floors and ceilings of each of thirty (30) apartment units of the Project contained in two (2) concrete block and wood frame buildings, designated on the plans as Building "1" and Building "2". Each building contains numbered units as follows:
 - (1) Building "1" is a two-story building containing eight one-bedroom apartments, designated as Apartments A-1 through A-8, on the first floor; and eight two-bedroom apartments, designated as Apartments B-1 through B-8 on the second floor.
 - (2) Building "2" is a two-story building containing seven one-bedroom apartments, designated as Apartments A-9 through A-15, on the first floor; and seven two-bedroom apartments, designated as Apartments B-9 through B-15, on the second floor.
 - (3) Each apartment contains the number of rooms and approximate floor area according to its respective plan as follows:
 - (a) Fifteen (15) apartments each consisting of one bedroom, one bathroom, one kitchen, one living room, one entry hall, one entry way, and one lanai, being designated as Apartments A-1 through A-15, and containing square feet of floor area (including lanai) as follows: A-1, 604; A-2, 619; A-3, 619; A-4, 619; A-5, 619; A-6, 619; A-7, 642; A-8, 625; A-9, 625; A-10, 642; A-11, 619; A-12, 619; A-13, 619; A-14, 619; A-15, 604.

- (b) Fifteen (15) apartments each consisting of two bedrooms, two bathrooms, one kitchen, one living room, one stairway, one entry hall, one entry way, and one lanai, being designated as Apartments B-1 through B-15, and containing square feet of floor area (including lanai) as follows: B-1, 775; B-2, 786; B-3, 786; B-4, 786; B-5, 786; B-6, 786; B-7, 786; B-8, 759; B-9, 759; B-10, 786; B-11, 786; B-12, 786; B-13, 786; B-14, 786; B-15, 775.
- (4) Apartments on the first floor of all buildings are designated by the letter "A" as a prefix to the apartment number; apartments on the second floor of all buildings are designated by the letter "B" as a prefix to the apartment number.
- (5) The Apartments are located in the manner shown on set of floor plans filed with the Commission.
- (6) Each apartment has one entry, and each apartment has access by way of a common walkway at each floor level.
- (7) The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding the apartments, or any pipes, wires, conduits, or other utility lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the built-in fixtures.
- B. Common Elements: One freehold estate is designated of all remaining portions of the project, including specifically, but not limited to:
 - (1) Said land in fee simple;
 - (2) All foundations, floors, columns, girders, beams, supports, bearing walls, roofs, chases, entries, exterior stairways, walkways and elevators of said buildings;
 - (3) All yards, grounds, landscaping, mailboxes and refuse facilities;
 - (4) All parking areas and driveways;
 - (5) All ducts, electrical equipment, wiring and other central and appurtenant installations including power, light, water, sewage treatment system, water sprinkling system, and telephone;
 - (6) Recreation area, equipment and well site;
 - (7) A one-bedroom apartment, designated as Apartment A-15, on the ground floor (first floor) of Building "2" for maintaining a manager's office and living quarters. This portion of the project is hereinafter sometimes referred to as the "commercial apartment";
 - (8) A laundry and storage room is located on each floor on the makai side of Building "2".

LIMITED COMMON ELEMENTS: None

INTEREST TO BE CONVEYED TO PURCHASER: There will be conveyed to the purchaser a leasehold interest in the apartment purchased. The specimen Apartment Lease specified that the lease will be for a term ending the last day of March 2030. The rent for the first eighteen years of the apartment lease will be \$29.95 per month, net, over and above all taxes, assessments and other charges payable by lessee. The rent for the remaining period of the lease is to be determined by negotiation or arbitration upon the expiration of the initial eighteen-year period.

The apartment lease will provide that the Lessee shall be deemed to be the owner of his apartment for all purposes of the Horizontal Property Regime; provided, however, that any vote or other action of the Lessee with respect to construction plan, partition of the project, amendment of the Declaration or the By-Laws, appointment of the Managing Agent, or any other matter as to which the Lease requires the approval or consent of the Lessor, shall be effective only with the Lessor's consent.

The apartment lease will permit the Lessee to sell, sublet or mortgage his interest in the apartment without the consent of the Lessor.

The specimen Apartment Lease reflects that the leasehold interest conveyed by each apartment lease shall include a 1/29th undivided interest in the common elements of the project, together with non-exclusive easements in the common elements for use according to their respective purposes.

COMMON INTEREST: The specimen Declaration identifies the common interest to each apartment as 1/29 interest on the common elements and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The specimen Declaration specifies that except for the manager's office and apartment, which may be used for any purpose consistent with the zoning of the land, the apartments shall be used and occupied only as private dwellings by the respective owners, their tenants, families, domestic servants and social guests, and the owners of the respective apartments shall have the right to lease or rent their apartments for transient purposes, subject to all the provisions of the Declaration.

OWNERSHIP OF TITLE: A Certificate of Title dated March 11, 1971 prepared by Security Title Corporation certifies that Norman Quigley and Joyce Quigley have title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: The Certificate of Title dated March 11, 1971 by Security Title Corporation certified that there are no liens or encumbrances of whatever kind or nature of record against the title, save and except the following: Taxes that may be due and owing and a lien on the land--reference is hereby made to the Office of the Tax Assessor of the Second Division; Lease dated April 10, 1970, recorded in Book 6971, Page 182, made by Norman Quigley and Joyce Quigley to Kihei Sands Developers, Inc., the developer of this project, for a term of sixty years commencing April 1, 1970 and ending the last day of March 2030; Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 3152; Rights of Native Tenants as contained in said Royal Patent Grant No. 3152; as to that portion of land herein described bordering on the ocean: (a) the effect of the decision by the Supreme Court of the State of Hawaii in the case of Application of Ashford; (b) the effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as amended.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 9, 1971, identifies Bank of Hawaii as the escrow agent. On examination, the specimen Deposit Receipt and Contract and the executed Escrow Agreement are found to be in compliance with Sections 514-36 through 514-40, Hawaii Revised Statutes.

Among other provisions, the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, and less Escrow's \$25.00 cancellation fee, if any of the following events shall have occurred: (a) Escrow receives a written request from Seller to return to Purchaser the funds of such Purchaser; or (b) if a Purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the condominium building plans, subsequent to the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the specific change; or (c) if a Purchaser's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or (d) if the Final Public Report differs in any material respect from the Preliminary Public Report, unless the Purchaser has given written approval of acceptance of the difference; or (e) if the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

Purchaser shall in any event have the right to a refund of any money deposited in Escrow, less said cancellation fee, without interest, upon written request therefor at any time within fifteen (15) days after the issuance of a Final Public Report on the project.

The specimen Deposit Receipt and Contract states that if less than 80% of the apartments are sold prior to December 1971, the seller may at its option cancel this contract, refund to Buyer all monies paid, and be relieved and released of all further liability hereunder.

The specimen Deposit Receipt and Contract states that the terms of the Escrow Agreement are made a part of the Contract of Sale by reference. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Deposit Receipt and Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.


MANAGEMENT AND OPERATIONS: The By-Laws empower the Board of Directors with the authority to acquire and pay for the services of a person or firm to manage the Horizontal Property Regime. No property manager has been identified in the notice of intention to sell.

STATUS OF PROJECT: No Building contract has been executed.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted March 18, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 375 filed with the Commission on March 18, 1971.

The report when reproduced shall be a true copy of the Commission's Preliminary Public Report. The paper stock used in making facsimilies must be yellow.


For DOUGLAS R. SODEHANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Distribution:

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PLANNING COMMISSION, COUNTY OF MAUI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

June 14, 1971
Registration No. 375

